

CANADIAN WELFARE COUNCIL  
FAMILY WELFARE DIVISION  
RENTAL INCOME STUDY.

**Rental Income Study**  
**Canada, 1950**  
**by Albert Rose University**  
**of Toronto**

Nature of the Study:

The Canadian Welfare Council, in cooperation with the School of Social Work, University of Toronto, undertook, early in 1949, a study of Canadian renters. It was decided to collect information on the income, family size, monthly rent paid, type of accommodation and probability of eviction of a large number of Canadian tenant families.

A Schedule was prepared to include the five simple questions described above. A quantity of schedules, one for each family, was sent to each of the Family Welfare Agencies in Canada affiliated with the Family Welfare Division of the Canadian Welfare Council. These agencies were asked to fill out one schedule for each family known to the Agency during the month of October 1948. The limited resources of the Canadian Welfare Council necessitated recourse to these readily available sources of information concerning Canadian families. A copy of the Schedule is appended herewith.

Nature of the Sample:

Eighteen Family Welfare Agencies in fourteen Canadian cities from Sydney, Nova Scotia to Vancouver, British Columbia, cooperated in this study and reported information for a total of 1,158 Canadian tenant families. It should be recognized, however, that this is by no means a scientifically selected random or stratified random sample of Canadian tenant families. In a sense it is a self-selected sample of Canadian families known during a particular month to Family Welfare Agencies which provide direct personal service to these families.

The self-selection process inherent in this study, nevertheless results in a sample of Canadian families whose basic characteristics, as revealed by the reported data, are a close approximation of available averages for the nation as a whole. It may be argued that families known to Family Welfare Agencies are more likely to have low incomes, large families, and extremely poor housing. On this question two important facts concerning the services offered by Canadian Family Welfare Agencies should be emphasized.

(1) Canadian Family Welfare Agencies do not profess to be primarily "givers of relief". In fact, studies in Canada and the United States and in particular those undertaken by the Research Department of the Toronto Welfare Council, have revealed that economic assistance is normally requested by and given to Canadian families in no more than one-third of the cases known to Family Welfare Agencies. For the other two-thirds of these families the Service required and given is direct personal social case work service.

(2) Canadian families do not seek assistance from Family Welfare Agencies in locating satisfactory housing or in solving their basic housing problems. Canadians know and Family Welfare Agencies affirm that such Agencies can do nothing to assist individual families in locating suitable housing in a time of national shortage and emergency. It must be recognized that the families considered in this study were not known to the Agencies by virtue of a housing problem except insofar as the proportion of monthly income devoted to rent was so great that some economic assistance was required so that the family might have a minimum standard of food and clothing.

It is argued, therefore, that while this is not a scientifically selected sample in the sense that an appropriate proportion of upper, middle and lower income groups is represented; in the sense that an appropriate

proportion of Canadians living in the five geographical regions of this country are represented; or in the sense that an appropriate proportion of family sizes and age groups is represented, it is a sample of Canadian families who are, in all probability, fairly typical of a great proportion of Canadian families in the middle and lower income groups who are normally tenants. It is considered to be fairly typical of Canadian tenant families irrespective of the fact that this sample was known to Canadian Family Welfare Agencies. Of most importance, these are the families whose housing problems are so serious that the protection of rental controls has been considered essential by the Dominion Government since the end of the war. They are typical of the great number of families who will suffer most from loss of this protection in a national emergency.

Summary of Results:

Although 1,158 family schedules were received, in the process of analysis, exactly 100 of these schedules were discarded. These discards were either the result of failures to report information under one or more questions, or the fact that some families paid no rent since the head of the house was a janitor or watchman, etc. and the fact that a few families had no income other than direct public assistance paid by Provincial or Municipal Governments. Rentals for these few families were a charge upon public funds. The sample for which results are available consists of 1,058 Canadian families who earned incomes ranging from less than \$50.00 a month to more than \$350.00 a month in the specific month under study and who are entirely tenant families paying a specific monthly rental which was reported to the Family Welfare Agency. A tabulation of the data derived in the study is provided in Table A.

A summary of the results derived from this sample of 1,058 tenant families follows:

A. Gross Income:

1. The average gross monthly income of the male or female head of the family alone was exactly \$133.00. Fifty percent of the families represented earned less than the median income of \$131.85 per month and 50% earned more than \$131.85 per month.

2. Approximately 63.5% of the 1,058 families earned between \$100 and \$200 per month. About 22.4% of these families earned less than \$100.00 per month and 9.1% earned more than \$200 per month.

(See Table B).

3. These figures compare with average weekly salaries and wages in Canada as a whole for October 1948 of \$41.80 or \$180.00 per month. Such comparisons should be treated very cautiously in view of the fact that the published figures for average weekly salaries and wages cover only manufacturing industries, services and trade, and approximately 2,100,00 employees or only 40% of the labour force. A good many heads of families in the study would not be employed in these industries and perhaps the figure of \$133.00 per month is reasonably typical of all Canadian wage earners.

B. Number of Persons in Family:

1. The number of adults reported in the sample were 1,832 or an average of 1.7 adults per family. (See Table C).

2. The number of children for whom Family Allowances are received, that is under the age of sixteen, was 2,890 or an average of 2.7 per family.

3. The number of children at home over the age of sixteen was reported to be 364 or an average of 0.35 children per family, that is 35 children per 100 families.

C. Monthly Rent Paid:

1. The average monthly rent paid by 1,058 families was \$25.08 or approximately \$25.00 per month. A frequency distribution of monthly rents paid is given in Table D.
2. The median rent paid was \$24.10 per month, that is, 50% of these families paid less than \$24.00 per month and 50% of these families paid more than \$24.00 per month.

D. Percentage of Monthly Income Paid in Rent:

1. The average proportion of monthly income paid in rent is 21.8%. This figure was derived from a frequency distribution of the proportion of income paid in rent which is attached as Table E. This statistically derived figure compares with an average monthly rent of \$25.08 and an average monthly income of \$133.00 or an average rental of 18.75%.
2. The median proportion of income paid in rent was 19.1%, that is 50% of the families paid less than 19.1% of monthly income in rent and 50% of the families paid more than 19.1% of their monthly income in rent.
3. Four hundred and three of the 1,058 families paid what is normally considered a disproportionate rent, that is, more than 20% of their monthly income was devoted to rent. Thus, 38.1% of these families were paying a disproportionate rent in October, 1948, prior to any increase in rent which has been granted since that time. Although 485 families paid 20% or more of their income in rent, 82 families paid exactly 20% leaving 403 families paying a disproportionate rent.

E. Type of Accommodation:

1. Of 1,058 families 469 or 44.2% were reported as the sole occupants of a single or semi-detached house. (See Table F).



E. Type of Accommodation: con't.

2. A further 110 families, 10.4% of the total, were sharing a single or semidetached house with one or more family units.
3. Two hundred and sixty-six families, 25.2% of the total, were the sole occupants of an apartment, flat or duplex.
4. An additional 49 families, 4.6% of the total, were sharing an apartment, flat or duplex with one or more family units.
5. Finally, 165 families, 15.6% of the total, were housed in rooms in rooming houses.

F. Evictions:

1. The Agencies were asked if the individual families were likely to be evicted if rental controls were lifted either because (a) their house had been sold and they would be evicted when possession was recovered or (b) the family was a subtenant in shared accommodation and were scheduled for eviction. The Agencies were not asked to report evictions likely because rentals would become too great to be borne by the individual families. Nevertheless, some Agencies did report a third unspecified reason for eviction which may be excessive rent.
2. The total number of evictions reported by the eighteen Agencies was 287 or 27.2% of the 1,058 families.
3. Eviction because the house had been sold was reported in 208 cases, that is, 72.5% of total scheduled evictions.
4. Sub-tenancy in shared accommodation was given as the reason in 48 cases or 16.7% of total evictions.
5. An additional 31 evictions, 10.8% of total evictions, were reported to unspecified reasons, perhaps excessive rents.
6. A cross classification of evictions by gross monthly income indicates that evictions are not primarily a function of income but are spread out throughout the income classes in like proportion.

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7. A cross classification of evictions by monthly rent paid indicated that 66.5% of evictions were scheduled for families paying \$20.00 per month or more in rent. About 44.5% of all evictions were reported for those families paying more than the average rent of \$25.00 per month.

8. A cross classification of evictions by proportion of income paid in rent revealed that 49.5% of evictions were scheduled for families paying 20% or more of their income in rent. Thus, although 38.1% of families were paying a disproportionate rent, 49.5% of all evictions were located in this group.

9. A cross classification of evictions by types of accommodation showed that 48.1% of all evictions were scheduled for families who were the sole occupants of houses and 16.4% for families who were the sole occupants of apartments or flats. A breakdown of the remaining 35.5% of evictions showed 20.9% for families in rooming houses, 11.8% for families sharing homes and 2.8% for families sharing apartments.

Concluding Comments:

This study of 1,058 Canadian tenant families indicates the very strong possibility that a real housing emergency exists among middle and low-income Canadian tenant families. This conclusion may be safely drawn irrespective of the fact that the sample families were known to Family Welfare Agencies in Canada. A good many of them enjoyed a relatively good income and were by all means entirely self-supporting in the period under study.

The typical family in this study appears to be one with a monthly income of between \$125.00 and \$175.00 per month paying between \$25.00 and \$35.00 per month in rent, composed of two adults and two or three children, in sole occupancy of a single or semi-detached house, with about ~~3~~ in 10 families scheduled for eviction with the removal of rental controls.

RENTAL INCOME  
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CANADIAN WELFARE  
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TABLE A

TOTAL RENTAL INCOME RATIOS

<u>Province &amp; City*</u>	<u>Number of Renters</u>	<u>Gross Income</u> \$	<u>Monthly Rent:Gross</u> \$	<u>Rent + by Income</u> %	<u>Number Paying Disproportionate Rent</u>	<u>Number of Evictions</u>
Nova Scotia						
Sydney	11	1212.90	187.00	15.4	6	0
Sydney	7	751.00	124.75	16.7	3	3
Prince Edward Is.						
Charlottetown	11	679.30	133.00	19.6	5	10
Quebec						
Montreal	175	20427.52	3905.15	19.1	64	23
Manitoba						
Winnipeg	52	7286.90	1418.35	19.4	22	39
Alberta						
Edmonton	40	5093.41	1006.05	19.75	19	5
Saskatchewan						
Saskatoon	17	1711.00	348.00	20.4	9	11
Regina	33	4352.80	665.75	15.3	13	16
Regina	89	13209.60	1983.20	15.3	16	14
British Columbia						
Vancouver	113	16179.53	2296.80	14.2	46	11
Ontario						
Hamilton	54	8065.81	1431.50	17.7	18	16
Hamilton	41	4640.78	912.35	19.7	18	36
Galt	31	4173.10	584.40	14.0	3	12
Windsor	25	3825.00	688.70	17.9	9	14
London	36	4197.65	811.75	19.8	16	19
London	40	5016.30	1065.30	21.2	17	31
Ottawa	176	22900.80	4621.49	20.2	72	5
Toronto	107	15380.78	3625.65	23.6	47	22
TOTAL	1058	\$139104.18	\$25809.19	18.5%	403	287

\* In the case of Sydney, Regina, Hamilton and London,  
two Family Welfare Agencies reported.



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TABLE B

MONTHLY INCOMES OF CANADIAN TENANT FAMILIES

<u>Income Class</u>	<u>Number</u>	<u>Percent</u>	<u>Number of Evictions</u>	<u>Percent</u>
0- 49.99	59	5.6	20	7.0
50- 99.99	230	21.8	62	21.6
100-149.99	376	35.6	108	37.6
150-199.99	295	27.9	78	27.2
200-249.99	78	7.3	12	4.2
250-299.99	14	1.3	5	1.7
300-349.99	5	0.5	2	0.7
350-399.99	1	-	-	-
	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
TOTAL	1058	100.0	287	100.0

Average Income \$133.00

Median Income \$131.85

TABLE C  
SIZE OF CANADIAN TENANT FAMILIES

Number of Adults	1,832	
Average Number of Adults per Family		1.7
Number of Children Receiving Family Allowances	2,890	
Average Number of Children per Family		2.7
Number of Children at Home over Sixteen	364	
Average Number of Children over Sixteen per family		0.35

RENTAL INCOME  
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TABLE D

MONTHLY RENTS PAID BY CANADIAN TENANT FAMILIES

<u>Amount of Rent</u> \$	<u>Number of</u> <u>Renters</u>	<u>Percent</u>	<u>Number of</u> <u>Evictions</u>	<u>Percent</u>
0- 9.9	13	1.2	6	2.1
10-19.9	338	32.0	90	31.4
20-29.9	434	41.0	124	43.2
30-39.9	203	19.2	47	16.4
40-49.9	53	5.0	13	4.5
50-59.9	10	0.9	4	1.4
60-69.9	3	0.3	2	0.7
70-79.9	2	0.2	1	0.3
80-89.9	2	0.2	-	-
TOTAL	1058	100.0	287	100.0

Average monthly rent      \$25.08

Median rent                      \$24.10

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TABLE E

PERCENT OF MONTHLY INCOME PAID IN  
RENT BY CANADIAN TENANT FAMILIES.

<u>Percent of Monthly Income Paid in Rent</u> %	<u>Number of Renters</u>	<u>Percent</u> %	<u>Number of Evictions</u>	<u>Percentage of Evictions</u> %
0- 9.9	61	5.8	18	6.3
10-19.9	512	48.4	127	44.2
20-29.9	298	28.2	95	33.1
30-39.9	111	10.5	31	10.8
40-49.9	53	5.0	8	2.8
50-59.9	15	1.4	6	2.1
60-69.9	3	0.3	1	0.35
70-79.9	4	0.4	1	0.35
80-89.9	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	1058	100.00	287	100.00

Average proportion of monthly  
income paid in rent

21.8%

Median proportion of monthly  
income paid in rent

19.1%

RENTAL INCOME  
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TABLE F

TYPE OF ACCOMMODATION OF CANADIAN  
TENANT FAMILIES

<u>Type of accommodation</u>	<u>Number of Renters</u>	<u>Percent</u>	<u>Number of Evictions</u>	<u>Percent of Evictions</u>
Sole occupant single or semi-detached house	468	44.2	138	48.1
Sharing single or semi- detached house with one or more family units	110	10.4	34	11.8
Sole occupant of apartment, flat or duplex	266	25.2	47	16.4
Sharing apartment, flat or duplex	49	4.6	8	2.8
Family unit, housed in rooms in rooming house	<u>165</u>	<u>15.6</u>	<u>60</u>	<u>20.9</u>
TOTAL	1058	100.00	287	100.00